

**MINUTES OF A MEETING OF THE CHRISTCHURCH CITY COUNCIL
HELD AT 9.00AM ON FRIDAY 23 JULY 1999**

PRESENT: The Mayor, Garry Moore (Chairperson).
Councillors Carole Anderton, Paddy Austin, Erin Baker, Sally Buck,
David Buist, David Close, Barry Corbett, Anna Crichton, Carole Evans,
Ishwar Ganda, Pat Harrow, Alistair James, Lesley Keast,
Charles Manning, Denis O'Rourke, Gail Sheriff, Barbara Stewart,
Sally Thompson, Sue Wells and Ron Wright.

APOLOGIES: Apologies for absence were received and accepted from Councillors
Robin Booth, Graham Condon and Ian Howell.

**LEAVE OF
ABSENCE:** Councillor Morgan Fahey.

1. PRESENTATION OF PETITION

Councillor Crichton tabled a petition urging the Council to ensure the retention of the
Star, Lyttelton Times and Warners Hotel buildings in Cathedral Square.

It was **resolved** that the petition be received and referred to the appropriate Committee.

2. TEMPORARY SUSPENSION OF STANDING ORDERS

It was **resolved** to temporarily suspend the following Standing Orders for the duration
of the present Council meeting:

- Standing Order 2.19.7 (time limits on speaking)
- Standing Order 2.19.8 (member may not speak more than once to a motion)

3. SUPPLEMENTARY REPORTS

The Mayor referred to the following supplementary items which had been tabled at the
present meeting:

- Joint report from Chairmen of Strategy and Resources and City Services Committees
summarising responses to the newspaper advertisements requesting input from the
public on the funding of the bus interchange, and making five associated
recommendations thereon.

- Supplementary report by the Chairman of the Strategy and Resources Annual Plan Working Party on:
 - Christchurch Wastewater Treatment Plant capacity upgrade charge
 - Bus interchange
- Schedule of changes proposed by Councillor Close, covering:
 - Operating adjustments - expenditure
 - Operating adjustments - revenue
 - Capital adjustments
 - Table X financial planning model for 1999/2000 and future years
- Schedule showing changes between draft and latest proposal for financing of bus interchange

The Mayor advised that these items had not been included with the main agenda because the required information was not available at that time, but that it was essential that they be dealt with at the present meeting, rather than being deferred to a subsequent meeting.

It was **resolved** that the foregoing items be received and considered at the present meeting.

4. REPORT OF THE STRATEGY AND RESOURCES ANNUAL PLAN WORKING PARTY

Councillor David Close made the following statement:

“In April I characterised the Draft Annual Plan as one that was prudent but moved the city ahead. Those characteristics have been reinforced by the submissions received and by the recommendations of the Annual Plan Working Party.

*I made bold, in my introduction to the Draft Annual Plan, to say that **most** people in Christchurch were prepared to pay a **little** more to enable the city to move ahead. My statement attracted a number of hostile letters and phone calls, and also criticisms in the editorials of local newspapers. I found it ironic that a rate increase of 1.96% should draw criticism from one newspaper that had raised its charge for display advertising by 17% and by another which had increased its price per newspaper by 14%.*

My contention, however, was borne out by the results of the Annual Citizens’ Survey and the survey by Consumer Magazine, both of which demonstrated that the great majority of our people regard Council services as good value for money. There were also a great many submissions that expressed appreciation of various programmes, activities and services provided by the Council. It was noticeable that large blocks of submissions, notably those on preservation of historic buildings and on car parking for the new art gallery, urged big increases in spending.

However, the minority view must be noted and respected. The working party took due note of criticisms noted on the City Scene response form, criticisms in written and verbal submissions, and indications of dissatisfaction in the Annual Citizens' Survey. It is quite clear, that, whilst the majority do not disagree with current levels of spending, we have no mandate for big increases.

In reviewing the submissions, the working party found no grounds for cutting back on any significant activities; the Council Plan : 1999 Edition, remains one that moves the city ahead. Neither did the working party find grounds for committing the Council to new expenditure. Any increases found to be necessary were funded by savings or new revenue sources. The working party declined almost all requests for additional grants. The budget therefore remains prudent.

The submissions on the uses of the capital repayment funds mirrored those on the Annual Plan in general. There was strong support for using the funds to repay debt and strong support for an economic development fund, with a slight majority in favour of using more than the \$40M proposed for debt repayment. The recommendation of the working party reflects these views. The working party has proposed that, after allocating \$8M for the bus interchange, the Council use the balance of the proposed economic development fund (\$33M) for debt repayment, but credit the interest saved to the fund. The recommendation thus continues the principle of moving the city ahead with prudence.

Numerous small adjustments to operating or capital expenditure have been made as a result of information that has become available since the draft plan was prepared. These changes, and the changes made by the working party, have not greatly affected rating levels. The increase for 1998/99 has fallen marginally from 1.96 to 1.93% and the total rate take projected over 10 years has likewise fallen marginally by \$3M. The most significant change is in long-term net debt, which is \$31M lower in Year 10 than in the draft plan, and \$45M lower than in last year's plan.

Comparing Christchurch with other cities, Consumer Magazine described us as having the "best services at the lowest cost". This result has not been achieved by accident but by the good decisions of past generations, by the hard work and commitment of current staff, by the sound management of our trading enterprises, and by the commonsense of elected members.

I would like to acknowledge especially the role of the City Manager, the Director of Finance, the Financial Planning Manager and his team, specialist staff in all departments, and particularly Julie Sadler, Committee Secretary, in the mammoth task of dealing with submissions and the issues arising from them. I am grateful also for the endurance and good judgment of the working party.

I am pleased to move the recommendations of the Annual Plan Working Party and the recommendations made by the Chairman of the City Services Committee and me in our joint memorandum on the funding of the bus interchange."

Moved Councillor Close, seconded Councillor Buist "That the report of the Strategy and Resources Annual Plan Working Party and recommendations be adopted".

PERSONAL COMPUTING FOR COUNCILLORS

Councillor Wells moved by way of amendment:

- “1. That funding of \$60,000 be provided in the 1999/2000 Annual Plan for the purpose of leasing laptop computers for Councillors, and that the Director of Finance be requested to make some corresponding adjustments to other budgets to allow this sum to be provided without any increase in rates.*
- 2. That Councillors pay their own internet charges.*
- 3. That Councillors who are provided with laptops cease to receive paper agendas within two months, unless they request otherwise.*
- 4. That Councillors also be provided with printers, where requested.*
- 5. That Councillors also be provided with a second telephone connection.*
- 6. That other persons who currently receive paper agendas be given the option of receiving them by email.”*

The amendment was seconded by Councillor Buist and when put to the meeting was declared **carried** as the substantive motion.

CIVIC OFFICES

Councillor Wright moved by way of amendment *“That the Strategy and Resources Committee be requested to review the future of the Civic Offices, in the light of the Council’s decision to proceed with the bus interchange”*. The amendment was seconded by Councillor O’Rourke and when put to the meeting was declared **carried**.

SPREYDON LIBRARY

Councillor Wright moved by way of amendment:

- “1. That this project be referred back to the Strategy and Resources Committee for further consideration.*
- 2. That the additional funding proposed remain in the Council Plan, but that it be marked with an asterisk indicating that the project and the associated funding is subject to further review.”*

The amendment was seconded by Councillor Baker and when put to the meeting was declared **carried**.

IMPACT OF TECHNOLOGICAL ADVANCES IN LIBRARIES

Following a request by Councillor Stewart, Councillor Anderton agreed to hold a seminar meeting of the Community Services Committee to review the impact of technological advances in libraries.

PAPARUA WATER RACE CHARGE

It was **resolved** by way of amendment that the recommendation in clause 6(6)(a) of the working party's report be amended to read:

"That, for the 1999/2000 year the City Council make a lump sum payment to the Selwyn District Council of \$29,320 to cover the Paparua water race charge; the funds to be found from the Water Services budget through efficiencies."

(11.00am Councillors Manning and Thompson retired)

SOLID WASTE AND WASTE MANAGEMENT PROJECT (CLAUSE 7.1)

Received.

(Note: Councillor O'Rourke requested that his vote against the working party's decision be recorded.)

QEII POOLS REDEVELOPMENT

It was **resolved** on the motion of Councillor Wright, seconded by Councillor Anderton that the financial provision for this project be confirmed, but that a special Council meeting be held in the next few weeks to decide on the final form of the development, after the work currently being carried out regarding the need for a mezzanine floor had been completed.

(Note: Councillors Evans and Ganda requested that their votes against the foregoing resolution be recorded.)

PARKS UNIT CAPITAL EXPENDITURE PROGRAMME

Adopted.

It was **resolved** further on the motion of Councillor Wright, seconded by Councillor Stewart that the officers report to the Council via the Parks and Recreation Committee on a possible review of the Council's policy and forward programme for the purchase of additional land for parks, as part of the current outputs review.

CHRISTCHURCH ART GALLERY

Councillor Austin moved a further amendment, providing for the insertion of a third recommendation as follows, in addition to the two recommendations made by the working party:

"That the Council proceed immediately to develop a strategy for the use of public transport to mitigate the adverse effects of the removal of parking from the cultural precinct, including consideration of the electric shuttle bus and the tram".

The amendment was seconded by Councillor Stewart and when put to the meeting was declared **carried**.

On being put to the meeting, recommendations 1 and 2 made by the working party were declared **carried** on division no 1 by 11 votes to 8, the voting being as follows:

For (11): Councillors Anderton, Baker, Buck, Close, Corbett, Harrow, James, O'Rourke, Sheriff, Wright and the Mayor.

Against (8): Councillors Austin, Buist, Crighton, Evans, Ganda, Keast, Stewart and Wells.

(Note: Councillor Crighton retired from consideration of recommendation 2, and took no part in the discussion or voting thereon.)

GRANTS

The Mayor moved by way of amendment:

- "1. *That a grant of \$18,000 be made to the Christchurch Beautifying Society for its proposed millennium celebration.*
2. *That this amount be funded by a corresponding reduction in the amount provided for the Council's millennium party in Hagley Park."*

The amendment was seconded by Councillor Evans. On being put to the meeting the first part of the amendment was declared **carried**, and the second part of the amendment declared **lost**.

Councillor Anderton moved by way of further amendment "*That the Parks Manager be requested to report to the Parks and Recreation Committee, identifying a corresponding reduction of \$18,000 in the Parks Unit's budget, to provide for the grant to the Beautifying Society*". The amendment was seconded by Councillor Stewart and when put to the meeting was declared **lost**.

(12.10pm Councillor Ganda retired)

Councillor O'Rourke moved by way of further amendment "*That the grant of \$18,000 to the Beautifying Society be funded from savings identified at the half yearly review*". The amendment was seconded by Councillor Wright and when put to the meeting was declared **carried**.

Councillor O'Rourke moved by way of further amendment "*That (rather than the reductions proposed by the Chairman in clause 12) the following reductions be made to cover the increased grants totalling \$37,000 to various groups:*

	1998/99	1999/2000 (draft)	1999/2000 (proposed)	Savings
<i>Mayor's Welfare</i>	200,000	250,000	245,000	5,000
<i>Events Seeding</i>	200,000	150,000	148,000	2,000
<i>Theatre Royal</i>	Nil	200,000	190,000	10,000
<i>Canterbury Tennis (Wilding)</i>	Nil	75,000	55,000	20,000

TOTAL				37,000"
				=====

The amendment was seconded by Councillor Austin and when put to the meeting was declared **lost**.

Councillor Harrow moved by way of further amendment *“That the increased grants proposed totalling \$37,000 be funded by a corresponding reduction in the provision for waterways and wetlands enhancement”*. The amendment was seconded by Councillor Corbett and when put to the meeting was declared **lost** on division no 2 by 9 votes to 8, the voting being as follows:

Against (9): Councillors Anderton, Baker, Buist, Close, Keast, O’Rourke, Wright, the Mayor and the Mayor’s casting vote.

For (8): Councillors Austin, Buck, Corbett, Crighton, Evans, Harrow, Stewart and Wells.

Temporarily Absent: Councillors James and Thompson.

The reductions in clause 12 recommended by the working party were then put to the meeting and declared **carried** on division no 3 by 10 votes to 8, the voting being as follows:

For (10): Councillors Anderton, Baker, Buck, Buist, Close, Corbett, Keast, O’Rourke, Thompson and the Mayor.

Against (8): Councillors Austin, Crighton, Evans, Harrow, James, Sheriff, Stewart and Wells.

Temporarily Absent: Councillor Wright.

(1.00pm Councillors Evans and Sheriff retired)

HERITAGE BUILDINGS: CATHEDRAL SQUARE

It was **resolved** by way of amendment that the recommendation shown in this clause be altered to provide:

“That the NZ Historic Places Trust and other submitters be informed that the Council supports the retention of heritage buildings in Cathedral Square, but that the Council does not consider that it would be appropriate for it to become an equity investor in the buildings but the Council would consider making a contribution to the protection of these buildings through the existing heritage funding provisions.”

(Note: Councillors Buist and Keast retired from consideration of this clause, and took no part in the discussion or voting thereon.)

PROPOSED ECONOMIC DEVELOPMENT FUND

Councillor Harrow moved by way of amendment *“That recommendation 1 be amended to provide ‘That all current and future (if any) capital repatriation funds be credited to the debt repayment reserve’*. The amendment was seconded by Councillor Stewart and when put to the meeting was declared **lost**.

Councillor Austin moved by way of further amendment *“That, in addition to the two recommendations made by the Committee, a further recommendation 3 be added to provide as follows:*

3. *That the investigations on appropriate governance structures and selection criteria continue, and a report come before Councillors before any decisions are made on the use of the future economic development fund.”*

The amendment was seconded by Councillor Buck and when put to the meeting was declared **carried**.

The recommendations made by the working party were then adopted, subject to incorporation of the foregoing amendment.

BUS INTERCHANGE

Following consideration of the supplementary report tabled by the Chairpersons of the Strategy and Resources and City Services Committees, it was **resolved**:

1. That the parking voucher scheme be retained and that \$25,000 per annum be reinstated in the operating budget.
2. That a fourth shuttle be funded to operate from December 2000 and that \$87,500 be funded in 2000/02, and \$150,000 annually thereafter.
3. That the remaining capital and operating reductions, as advertised, be confirmed.
4. That the use of \$8M capital from the funds proposed for the economic development fund be confirmed.
5. That in order to achieve rates-neutral funding, the following changes also be made:
 - (i) New parking meter revenue to be increased as follows:

2001/02	\$325,000
2002/03	\$350,000
2003/04	\$375,000
2004/05	\$400,000
 - (ii) An additional reduction of \$10,000 pa be made in cycle promotion.
 - (iii) The assumed carryforward of unspent capital be increased by approximately \$2M per annum.

6. That a report be brought to the Environment Committee on the development of a brief for the work required in Cathedral Square after the opening of the bus interchange.
7. That a report also be submitted to the City Services Committee on the parking, roading and traffic implications of the bus interchange.

(Note: Councillor Corbett requested that his vote against the adoption of resolutions 4 and 5 be recorded.)

(2.30pm Councillor Buist retired)

PARTICIPATION BY MAORI IN COUNCIL DECISION-MAKING BODIES AND PROCESSES

Councillor Harrow moved by way of amendment *“That the second bullet-point under the heading ‘Indicators’ on page 26 of the Draft Plan : 1999 Edition be amended to read:*

- *Participation by Maori to assist Council decision-making processes.”*

The amendment was seconded by Councillor Stewart and when put to the meeting was declared **lost**.

Councillor Stewart moved by way of further amendment *“That the draft provision of \$40,000 for Maori liaison advocacy be deleted”*. The amendment was seconded by Councillor Harrow and when put to the meeting was declared **lost** on division no 4 by 12 votes to 4, the voting being as follows:

Against (12): Councillors Anderton, Austin, Buck, Close, Crighton, James, Keast, Manning, O’Rourke, Thompson, Wells and the Mayor.

For (4): Councillors Corbett, Harrow, Stewart and Wright.

(2.40pm Councillor Baker retired)

(2.45pm Councillors Buck and Corbett retired)

EXTERNAL REVIEW

Councillor Stewart moved *“That, in view of the projected rate and debt increases over the next decade, this Council take the following action:*

1. *That this meeting endorse the election call by the Mayor for an external review of each department within the Council.*
2. *That the independent review committee comprise four external appointees with no present attachment to CCC management or projects, with a high level of business and management expertise.*
3. *That the review commence with departments handling resource consents, as these were identified as one of the worst areas in this month’s issue of Consumer.*

4. *That, as this overall review will take some time, the City Manager report to the August Council meeting on what action he intends to take to overcome the other worst areas identified by Consumer Magazine - such as the handling of complaints.*
5. *That these reviews be funded from the budget which funds consultants."*

The motion was seconded by Councillor Wright and when put to the meeting was declared **lost** on division no 5 by 7 votes to 3, the voting being as follows:

Against (7): Councillors Anderton, Close, Crighton, Keast, Manning, O'Rourke and Thompson.

For (3): Councillors Austin, Harrow and Stewart.

Abstain: The Mayor and Councillors James and Wells.

Following the defeat of the motion, the Mayor undertook to have the points raised by Councillor Stewart put to the Strategy and Resources Committee as part of the proposed review which he was currently promoting.

CHRISTCHURCH WASTEWATER TREATMENT PLANT CAPACITY UPGRADE

It was **resolved**:

1. That under Section 283 of the Local Government Act the Council declare the Christchurch Wastewater Treatment Plant Capacity Upgrade Charge Cost Share area as shown on the attached plan.
2. That the Capacity Upgrade Charge of \$607.50 (\$540.00 plus GST) be applied to all new connections to the Christchurch Wastewater Treatment Plant either at subdivision or a time of Building Consent for each new dwelling unit or connection
3. That the Capacity Upgrade Charge be applied from 1 July 1999.

UNION AND COMMUNITY HEALTH (COMMUNITY ORGANISATION LOANS SCHEME)

Councillor Close tabled a memorandum from the Senior Facilities Adviser (Peter Walls) recommending that further consideration be given to this organisation's application for financial assistance by way of either a grant or loan.

It was **resolved** that the application be referred back to the Grants Committee for further consideration, and that the Committee be given power to act to reach a final decision regarding the application.

Subject to the above amendments, the report of the working party was then **adopted**.

23. 7. 99

- 11 -

In addition it was **resolved**:

1. That the Council adopt a 1.96% overall rate increase.
2. That the Christchurch City Council Plan : 1999 Edition, as amended, be adopted.
3. That the Christchurch City Council Corporate Plan : 1999 Edition, as amended, be adopted.
4. That public notice be given that at its meeting on 26 August 1999 the Council will consider a resolution to make and levy rates in accordance with the approved Christchurch City Council Plan : 1999 Edition.

The report of the Annual Plan Working Party was then adopted, as amended.

5. NOTICES OF MOTION

(1) Differential Rating Resolution 1999/2000

It was **resolved**:

1. That the draft resolution contained in this clause be adopted, subject to the date of the Council meeting being held to confirm the making of the Special Order altering the differential rating system being changed to Monday 11 October 1999 commencing at 11.45am.
2. That the Director of Finance be authorised to make any changes to the figures in the resolution.

6. LEAVE OF ABSENCE

It was **resolved** that Councillor O'Rourke be granted leave of absence from the 26 August 1999 Council meeting.

7. CONCLUSION

The meeting concluded at 3.05pm.

CONFIRMED THIS 26TH DAY OF AUGUST 1999

MAYOR